

**ASSEMBLY BILL**

**No. 1122**

**Introduced by Assembly Member Wyland**

February 22, 2005

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An act to amend Section 672 of the Insurance Code, relating to auto insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1122, as introduced, Wyland. Auto insurance: cost estimate.

Existing law requires every admitted insurer or insurer group licensed to sell auto insurance to provide consumers with a cost estimate for its lowest priced personal auto insurance policy at the limits the consumer has requested and for which the consumer is eligible.

This bill would exempt from this requirement any insurer that is licensed to sell auto insurance and that ceases the sale of auto insurance, provided that another insurer in the same insurer group satisfies the requirement.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 672 of the Insurance Code is amended
- 2 to read:
- 3 672. (a) ~~Every~~ *Except as provided in subdivision (d), every*
- 4 admitted insurer or insurer group licensed to sell automobile
- 5 insurance shall provide consumers of personal automobile
- 6 insurance, as described in Section 660, with a cost estimate for its
- 7 lowest priced personal automobile insurance policy at the limits

1 the consumer has requested and for which the consumer is  
2 eligible.

3 (b) The insurer shall meet this requirement by either or both of  
4 the following:

5 (1) Maintaining a toll-free telephone number available to  
6 consumers in any geographic area in which the insurer is  
7 authorized or approved to write business in California. Upon  
8 request, the insurer shall provide the consumer with a cost  
9 estimate, or shall refer the consumer to an insurer representative  
10 or insurance broker-agent who shall, upon request, provide ~~such~~  
11 ~~an~~ the cost estimate based upon information provided by the  
12 consumer. The insurer shall make this toll-free number available  
13 to the consumer by maintaining a listing in the toll-free telephone  
14 directory.

15 (2) Maintaining an Internet Web site where consumers can  
16 obtain a cost estimate online, or be referred to an insurer  
17 representative or insurance broker-agent who shall, upon request,  
18 provide the cost estimate based upon information provided by the  
19 consumer.

20 (c) Each insurer shall provide the toll-free number or the  
21 Internet Web site address, or both, to the commissioner, who  
22 shall make the information available on the department's Internet  
23 Web site and through the department's consumer toll-free  
24 telephone line.

25 (d) *This section shall not apply to any insurer that is licensed*  
26 *to sell automobile insurance and that ceases the sale of*  
27 *automobile insurance, provided that another insurer in the same*  
28 *insurer group satisfies the requirements of this section.*